



Washington, D.C. 20505

DRAFT

The Honorable David Boren
Chairman
Select Committee on Intelligence
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

I write to provide you the views of the Director of Central Intelligence on the Senate and House versions of the "Intelligence Authorization Act for Fiscal Year 1988," S. 1243 and H.R. 2112, respectively.

There are a number of provisions in both bills which were contained in the Administration's draft version of this legislation as transmitted to the Congress and referred to both intelligence committees. We strongly support these provisions. They include the provision in Section 501 of both bills to increase the allowance available for the purchase of uniforms by certain Defense Intelligence Agency (DIA) personnel stationed overseas. Also included in this group are Sections 502 and 503 which extend the certain special termination authorities granted to the Secretary of Defense with respect to Department of Defense (DoD) intelligence personnel.

Section 504 of the Senate bill, also stemming from a provision in the Administration bill, would extend to DIA the nondisclosure authorities enjoyed by other entities in the Intelligence Communities. The House bill does not contain a similar provision. We believe this provision is an important complement to DIA's statutory authorities and thus commend it to the conferees.

Although not included in the Administration's bill, both the Agency and the Community strongly support Section 102 (b) of the House bill excluding DIA personnel from the otherwise automatic reductions-in-force provisions. We appreciate the House's efforts in this area and commend the provision to the conferees.

Section 601 of the House bill would create a Presidential "Commission on Intelligence Personnel Systems" to review Intelligence Community personnel systems and make legislative recommendations. From the standpoint of both the Agency and the Community, we believe the creation of such a commission is unnecessary and thus cannot support Section 601.

Just last year, Section 507 of the Fiscal Year 1987 Intelligence Authorization Act mandated that the Secretary of Defense and the Director of Central Intelligence (DCI) submit to the Congress a report on intelligence personnel systems. The focus of that report (transmitted to the Congress on 13 February 1987) was essentially identical to the scope of activity proposed for the commission. We believe that this report, plus the committees' extensive knowledge of this subject gained through several years of oversight, would be sufficient to provide a basis for whatever legislative action is deemed necessary. The work of the commission, following so hard on the heels of the DCI's report, would be unnecessarily duplicative.

With respect to concerns about the Agency's Human Resource Modernization and Compensation Task Force which may underlie this proposal, I note that the work of the Task Force is not even near completion. While its charge is a broad one, it is not clear at this point what sort of recommendations will come out of its work. The Agency believes the work of the Task Force should go forward. We will continue our efforts to keep the committees fully informed of its work. Further, we will work with the committees to ensure that any legislative changes which are recommended by the Task Force and adopted by the Agency are addressed appropriately from a Community standpoint.

Turning now to concerns about the Community which may have led to this proposal, there are admittedly differences among the various Community personnel systems. It is almost a truism, however, to say that these stem from the fact that the Community is composed of different (in some cases, vastly different) agencies. These differences have existed for some time now and are likely to continue, so long as we approach intelligence from a Community perspective. Neither the existence of these differences nor the fact that from time to time minor changes to existing personnel systems are necessary, compel the conclusion that a study commission is required.

We note that the efforts of the Task Force are similar to those currently being conducted by the National Bureau of Standards and at the China Lake naval facility. They are also similar to various legislative proposals currently before the Congress.

At the same time, we are quite sympathetic to the House Committee's concern, as expressed in its report, that similarly situated Community personnel should be treated in a corresponding fashion. We are, therefore, beginning with the preparation of the Administration's draft Fiscal Year 1989 Intelligence Authorization Bill, making a special effort to assess legislative proposals in this area from a Community viewpoint. We will then work with the committees to ensure that Community concerns are appropriately addressed.

Along these lines, we were disappointed that action had to be taken to remove from the Senate bill the provision extending to employees of DIA and the National Security Agency (NSA) certain tax benefits already enjoyed by other United States Government employees, including intelligence personnel, working overseas. We understood the reasons for this action. Nonetheless, we saw this provision as an effort to equalize benefits among similarly situated Community personnel and thus address some of the very concerns above. We thus look forward to working with the committees at some appropriate point in the near future to obtain its reconsideration.

Turning now to other Congressionally-initiated provisions in the bill, we strongly support Section 402 of the bill. Our reasons are detailed in a separate classified letter being sent to both committees.

The Agency also supports Section 506 of the Senate bill which would create at NSA a graduate-level skills program to complement the undergraduate skills program created in last year's intelligence authorization bill.

Title VI of the House bill would extend to those former spouses of Agency employees divorced prior to 1982 the benefits extended by previous legislative action to those divorced after that date. Should the conferees determine to adopt this proposal, the Agency would appreciate the opportunity to work with staff, prior to final conference action, to make certain technical corrections to the proposal. These are necessary to give full effect to the proposal's intent while, at the same time, insuring that it has no unintended effects.

We thank you for the opportunity to comment on this important piece of legislation. A similar letter is being sent to Vice Chairman Cohen as well as to the House Permanent Select Committee on Intelligence.

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely yours,

William H. Webster
Director of Central Intelligence